

Dealing with Policy and Procedures

1. Refusal to Take Orders

The Client undertakes and agrees that member, may, as a risk containment measure, at any time, at its sole discretion, and without prior notice, prohibits, restricts or refuse the clients' ability to place order or trade in penny stocks or such other stocks/contracts, as specified by Member, through the Member. The Client waives any and all claims for loss or damage arising directly or indirectly from any such refusal.

2. Exposure Limits

The client agrees and confirms to abide by the exposure limits, if any, set by Member or by the exchange or Clearing Corporation or SEBI from time to time.

The Stock Broker/ Trading Member may from time to time, at its sole discretion, impose and vary limits on the orders that the client place (including but not limited to exposure limits, turnover limits, limits as to number, value and / or kind of securities / contracts in respect of which buy or sell orders can be placed etc.) The client is aware and agree that the stock broker/ trading Member may need to vary or reduce the limits or impose new limits urgently on the basis of Member's risk perception and other factors considered relevant by Member and Stock Broker/ Trading Member may be unable to inform to the client of such variation, reduction, imposition in advance. The client agrees that the Stock Broker/ Trading Member shall not be responsible for such variation, reduction and imposition of limits.

3. Brokerage Rate

The Client confirms and agrees that the brokerage shall be paid in the manner intimated by the Member to the client from time to time, including as a percentage of the value of the trade or as a flat fees or otherwise, together with the service tax as may be applicable from time to time on the same.

The Client hereby agrees to the brokerage slabs/rates, as mentioned in this document, which do not exceed the maximum limits prescribed by the SEBI/Stock Exchanges.

4. Delayed Payment Charges

The client understands and agrees that applicability of delayed payment charge by either party is solely at the discretion of the Stock Broker.

Without prejudice to margin funding guidelines issued by SEBI, any amounts which are overdue from a client toward settlement obligation or margin obligation either in cash segment and/or derivative segment, may attract delayed payment charges at the rate of 21.99 % per annum or part thereof or such other rate as may be determined by the stock broker.

In case client has not opted for running account maintenance, any amount which are overdue from a stock broker towards settlement pay out after meeting all pending settlement / margin obligations or dues, may attract delayed payment charges at the rate of 21.99 % per annum or part thereof or such other rate as may be determined by the stock broker.

In case client has opted for running account maintenance, any amount which are overdue from a stock broker towards the available undisputed credit balance in client ledger after meeting settlement and/or margin obligation and making provision for next 5 trading day settlement and / or margin obligation, calculated in the manner specified by the exchanges or amount as demanded by client, in writing, out of available ledger balance, whichever is less, may attract delayed payment charges at the rate of 21.99 % per annum or part thereof or such other rate as may be determined by the stock broker.

5. Liquidation/close-out of positions:

Without prejudice to the member's other rights (including the right to refer a matter to arbitration), the Member shall be entitled to liquidate / close out all or any of the Client's positions for non-payment of margins or settlement obligation without giving prior notice. Any and all losses and financial charges on account of such liquidation / closing-out shall be charged to and borne by the Client. Client further agrees that member shall have right to sell securities held in the client Beneficiary Account / his own Demat account under this agreement due to non payment of margins or settlement obligation. Client agrees that the choice of specific securities to be sold shall be solely at the member's discretion.

6. Internal Shortage

- I. In case of purchase of securities by the Client, at times Member may be unable to deliver the securities to the said purchaser on the pay out day due to non receipt of the said securities from another Client of Member who has sold the securities against the said purchase transaction. In such cases, member may buy the shares from the market on T + 1 day or on settlement day and deliver the same to the client or he may give close out at the rate as determined by the member.

II Close out in case of internal Shortages:

The Client hereby agrees that if he/she/it has short delivered any securities against his/her/its pay-in-obligation which resulted into internal shortage (i.e. buy position of another client of Member and could not be auctioned in the market), Member may at its sole discretion buy such short delivered shares from market and debit the purchase price along with internal auction charges (which may be ranging from 5% to 20% above the purchase price) to his account. Further, at times member may not able to buy the shares from the market, in such case, close out shall be debited to his account at the rate which is in the range of 5% to 20% above the purchase price on auction day or such other price which member may consider reasonable.

III. Gain / Loss arising out of (I) & (II)

Any gain arising out of above transaction shall not be passed on the either party and the same shall be credited to Internal Auction Charges. Corporate Action gain shall be passed on to the buyer. Any loss arising out of above transaction, including corporate action losses shall be born by the short seller.

7. Restrictions/Prohibition to take further position or closing existing position

The Member may, in its sole discretion, not allow taking further position to the client or may close the existing position of a client due to any restrictions in relation to volume of trading / outstanding business or margins stipulated by the exchange, clearing corporation/ clearing house and/or the Member and / or any other extraordinary event warranting such restrictions. The Client waives any and all claims for loss or damage arising directly or indirectly from any such restrictions.

8. Suspension / Closure at the client's request

The Client may suspend or close his/her/its trading account temporarily by giving written request to the member. Such temporary closing or suspending of trading account will not affect the rights and obligation incurred prior to such suspension or closure. Any request for temporary suspension or closure shall not be processed by the member unless all the dues are paid by the client.

9. Deregistering the Client

The Member may, at its sole discretion, deregister clients' account to protect his interest which might include (but not limited to)

- i. Member is compelled to by law;
- ii. Client has not used account for a significant period of time;
- iii. Member has reasons to believe that account is being used for fraudulent purposes.
- iv. Any other reason which member thinks reasonable for deregistering the account.

The Client waives any and all claims for loss or damages arising directly or indirectly from such deregistering. The deregistering will not affect any liability of the Client resulting directly or indirectly from any transactions made at any time before such deregistering.

10. Policy for in active Clients

In case client has not used his account for a period exceeding 6 months but not later than 2 years across the exchanges, then his account shall be freeze for further trades and the said account shall be re-activated only after client gives account reactivation request , in writing, along with the proofs, if any, required. Further if client has not used his account for more than 2 years, his account shall be deregistered and his account shall be re-activated only after proper recording of reason for such non use, either orally or in writing, and after taking all the required proof.

I/we have read and understand the above policies & procedures and shall abide by the same. Further I/ We know that this policy has been adopted by the trading member at the given time and may have been revised over time. Latest version of the policy is available at the trading member's website www.navkardirect.com.